

Message Text

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ACTION ARA-20

INFO OCT-01 ISO-00 PA-04 PRS-01 USIA-15 TRSE-00 RSC-01

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P 262110Z MAR 74

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC PRIORITY 3148

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E.O. 11652: N/A

TAGS: SGEN

SUBJECT: FIGHTS OVER THE FIGHT

1. I HAD A MORNING TODAY RE THREATENED CANCELLATION OF
WORLD CHAMPIONSHIP HEAVYWEIGHT FIGHT TONIGHT WHICH COULD
BETTER HAVE BEEN PLAYED BY THE MARX BROTHERS.

2. EARLY IN THE MORNING, EMBASSY WAS BESEECHED
BY MR. HENRY SCHWARTZ, REPRESENTING VIDEO TECHNIQUES
TELEVISION INTERESTS, WHO SAID THAT HE HAD RECEIVED A WRITTEN
MEMORANDUM FROM THE ORGANIZER OF TONIGHT'S FIGHT,
ALDEMARO ROMERO, INDICATING THAT FOREMAN AND NORTON
WOULD BE REQUIRED TO PAY 18 PERCENT OF THEIR NET INCOME FROM
THE FIGHT TO THE VENEZUELAN TREASURY. UPON RECEIPT OF THIS
INFORMATION, SCHWARTZ, FOREMAN AND NORTON SAID THE
FIGHT WOULD BE CANCELLED.

3. I POINTED OUT TO SCHWARTZ THAT OUR INTERNAL REVENUE
SERVICE COLLECTS TAXES ON FIGHTERS' PAY IN THE UNITED STATES
AND THAT WE WOULD NOT HAVE TOO STRONG A LEGAL CASE EXCEPT
FOR FACT THAT MOST OF THE TAKE ON TONIGHT'S FIGHT WILL BE
PAID IN THE UNITED STATES BY TELEVISION VIEWERS AND THUS
TECHNICALLY SHOULD NOT BE SUBJECT TO A VENEZUELAN TAX;
ALTHOUGH POSSIBLY THE \$350,000 ENGAGEMENT FEE PAID BY THE
VENEZUELAN ORGANIZERS MIGHT INDEED BE CONSIDERED AS
SUBJECT TO TAXATION.

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4. I CALLED SEVERAL INFLUENTIAL FRIENDS IN THE GOVERNMENT AND LATER WAS CALLED BY ROMERO, THE ORGANIZER OF THE FIGHT, WHO SAID HE WAS HAPPY TO INFORM ME THAT A DECISION HAD BEEN TAKEN "AT THE PALACE" NOT TO IMPOSE TAXES. IN CONSEQUENCE, THIS PARTICULAR SNAG WAS REMOVED.

5. HOWEVER, ANOTHER AND FAR MORE DELICATE QUESTION AROSE BECAUSE OF THE INSISTENCE OF THE VENEZUELAN BOXING COMMISSION THAT ALL JUDGES AND THE REFEREE BE VENEZUELAN CITIZENS. THIS ALSO HAS BEEN DIFFICULT TO RESOLVE BECAUSE OF THE OVERTONES OF NATIONALISM IN THIS COUNTRY. I THEREUPON CALLED MY CLOSE FRIEND DIEGO ARRIA, THE NEW GOVERNOR OF THE FEDERAL DISTRICT, WHO WAS TIED UP IN A CABINET MEETING WITH PRESIDENT PEREZ. HOWEVER, HIS HIGHLY ABLE AND COLLABORATIVE GENERAL SECRETARY, DR. JORGE GOMEZ MARTELLINI, VOLUNTEERED TO COME OVER AND DISCUSS OUR PROBLEM AND, TO MY SURPRISE, WAS ACCOMPANIED BY GENERAL HERNAN DELGADO SANCHEZ, CHIEF OF POLICE, WHO WAS PROMPTLY RELIEVED OF HIS PERSONAL REVOLVER BY OUR MARINE GUARD.

6. HAVING SMOOTHED DOWN THE GENERAL'S RUFFLED FEATHERS BY RECALLING AN IDENTICAL INCIDENT IN 1958 WHEN THE MARINE GUARD AT EMBASSY BEIRUT TOOK AWAY THE .45 OF A MARINE ONE-STAR GENERAL. I RETURNED THE POLICE CHIEF'S GUN AND EXPLAINED MY CONCERN OVER THE SEEMING IMPASSE BETWEEN FOREMAN'S MANAGER, DICK SADDLER, AND THE BOXING COMMISSION OVER THE ISSUE OF THE REFEREE. I POINTED OUT THAT WITH ABOUT SIX HOURS IN WHICH TO WORK, WE DID NOT HAVE MUCH TIME TO NEGOTIATE SOME MODUS VIVENDI HAVING LUCKILY ESCAPED THE ROCKS AND SHOALS OF TAXATION. I SAID THERE WERE APPROXIMATELY 150 U.S. SPORTS WRITERS IN CARACAS COVERING THE FIGHT AND THAT IF AT THE LAST MINUTE ID DID NOT COME OFF, MILLIONS OF AMERICAN CITIZENS WOULD HAVE A FEELING OF FRUSTRATION AND SOME OF THIS FEELING MIGHT BE TINGED BY AN ANTI-VENEZUELA ANIMUS. I ADMITTED AT THE SAME TIME THAT VENEZUELAN CITIZENS MIGHT FEEL IRKED IF OUR AMERICAN BOXERS INSISTED ON AN AMERICAN REFEREE AGAINST THE DESIRES OF THE NATIONAL BOXING COMMISSION. HOWEVER, MY JOB AS AMBASSADOR WAS TO MAINTAIN FRIENDLY RELATIONS BETWEEN VENEZUELA AND THE UNITED STATES; AND AN ABRUPT CANCELLATION LIMITED OFFICIAL USE

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OF THE FIGHT FOR WHATEVER REASON WOULD NOT CONDUCE TO THE ACHIEVEMENT OF THIS GOAL.

7. A THIRD LITTLE PROBLEM WHICH MR. SCHWARTZ KINDLY LEFT ON MY DOORSTEP THIS MORNING IS THE DEMAND OF THE VENEZUELAN CUSTOMS THAT HIS HIGHLY EFFICIENT AND EXPENSIVE TELEVISION VAN WHICH ARRIVED IN CARACAS BY AIR YESTERDAY SHOULD NOT LEAVE THE COUNTRY WITHOUT THE PAYMENT OF BS 48,000 DUTY. I HAVE

TAKEN MEASURES TO GET THIS STRAIGHTENED OUT, INVOKING THE
WIDELY ACCEPTED PRINCIPLE SYMBOLIZED BY YESTERDAY'S INAUGURATION
OF INSTRUMENTALITY THAT EQUIPMENT BROUGHT IN TEMPORARILY TO
VENEZUELA FOR IMMEDIATE RE-EXPORT SHOULD NOT BE SUBJECT TO
CUSTOMS DUTY.

8. THEREFORE, AS OF 5:00 P.M., THE SIGNALS ARE THAT THE
FIGHT WILL BE ON. I HOPE NORTON AND FOREMAN MUTUALLY KNOCK
EACH OTHER OUT.
MCCLINTOCK

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